



# OFFICE OF MANAGEMENT & BUDGET

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April 2, 2026

The Honorable Louis P. DiPalma  
Chairperson  
Senate Committee on Finance  
Rhode Island Senate  
82 Smith Street  
Providence, RI 02903

**RE: S 2541 – An Act Relating to Highways – Rhode Island Turnpike and Bridge Authority**

Dear Chairperson DiPalma:

Thank you for providing the Office of Management and Budget (OMB) the opportunity to submit comments in response to Senate Bill No. 2541. This bill would repeal R.I. Gen. Laws Chapter 42-13.1, the Rhode Island Bridge Replacement, Reconstruction, and Maintenance Fund that authorizes toll facilities on state roads.

The State currently leverages four primary funding sources to finance transportation infrastructure construction and maintenance: Federal funds, state bond proceeds, motor fuel tax revenue, and Rhode Island Capital Plan Funds (RICAP). The Administration has prioritized improvements to the network of roads and bridges by investing resources to fund the 10-year State Transportation Improvement Program.

Further improvements to bring the network to a state of good repair necessitate additional resources. The Governor's recommended budget takes steps to ensure these resources are available by reinstating the RhodeWorks tolling on tractor trailers following a ruling by the First U.S. Circuit Court of Appeals that determined the overall tolling system could remain in place. The budget proposal accounts for \$20 million in anticipated revenues from the re-implementation of the RhodeWorks tolling in Fiscal Year 2027.

Even with these additional revenue streams, the Budget Office projects a cumulative shortfall in state matching funds for transportation of approximately \$280 million through Fiscal Year 2031. Repealing the tolling program would increase the shortfall by approximately \$60 million through the same period. Given the importance of these infrastructure improvements and limited funding available, it is critical that the State does not limit its options by eliminating the authority for the RhodeWorks tolling.

Furthermore, OMB has concerns about language in Senate Bill No. 2541 that would eliminate transportation audit functions currently housed in OMB's Office of Internal Audit and Program Integrity. This unit reviews and approves indirect cost rates for architectural and engineering firms

engaged with the Rhode Island Department of Transportation (RIDOT) – a requirement for federally funded surface transportation projects. Further, the unit conducts performance audits of RIDOT projects and initiatives, including audits of RIDOT's change order process and Pavement Preservation Program in Fiscal Year 2024. Audit oversight of RIDOT is essential to encouraging cost-effective operations and compliance with necessary State and federal requirements.

We appreciate the opportunity to share our comments on this legislation with the Committee. Should you have any questions or require further information, please do not hesitate to contact my office.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian M. Daniels". The signature is fluid and cursive, with a large initial "B" and "D".

Brian M. Daniels  
Director, Office of Management and Budget

cc: The Honorable Members of the Senate Committee on Finance  
The Honorable Elaine Morgan  
Kristen Silvia, Deputy Chief of Staff and Director of Legislation  
Jamie Plume, Committee Clerk